

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6861**

**BILL NUMBER:** SB 247

**NOTE PREPARED:** Feb 8, 2007

**BILL AMENDED:**

**SUBJECT:** Public Passenger Chauffeur's Licenses.

**FIRST AUTHOR:** Sen. Mrvan

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill provides that a public passenger chauffeur's license is valid for four years and that the fee for the license is \$8. (Current law provides that the license is valid for two years and that the fee for the license is \$4.)

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** For the Bureau of Motor Vehicles (BMV), there may be additional expenditures associated with the change in this bill, but they are expected to be minimal. The fund affected is the Motor Vehicle Highway Account which supports the BMV.

**Explanation of State Revenues:** *Summary:* Based on the average number of licenses issued, additional revenue to the Motor Vehicle Highway Account (MVHA) for each of FY 2008 and FY 2009 is estimated to amount to about \$14,500, with a corresponding reduction in revenue in FY 2010 and FY 2011. The other funds which receive distributions from this license fee will not benefit from the \$4 fee increase in FY 2008 and FY 2009, and they will lose revenue in the third and fourth years when these licenses will no longer be renewed after two years.

*Background Information:* Increasing the statutory fee for a public passenger chauffeur's license from \$4 to \$8 will mean additional revenue accruing to the MVHA in FY 2008 and FY 2009, with corresponding reductions in the following two years. The total fee for a public passenger chauffeur's license is \$14. The current disposition of the fee along with the changes due to this bill are shown in the following table.

	<b>MVHA</b>	<b>Crossroads 2000</b>	<b>BMV Tech. Fund</b>	<b>Anti-Terrorism Fund</b>	<b>State License Branch Fund (BMVC)</b>	<b>Total Fee</b>
<b>Current</b>	\$2	\$4	\$0.50	\$1.25	\$6.25	\$14
<b>Proposed</b>	\$6	\$4	\$0.50	\$1.25	\$6.25	\$18

For CY 2002, CY 2003, and CY 2004, the BMV issued an average of 3,637 public passenger chauffeur licenses, with total revenue averaging approximately \$50,918 per year. Based on the average number of licenses issued, additional revenue for FY 2008 and FY 2009 is estimated to amount to about \$14,500. The new revenue represents a shift of revenue to the MVHA from the third and fourth years to the first and second years. The other funds which receive distributions from this license fee will not benefit from the \$4 increase in the first two years, and they will lose revenue in the third and fourth years when these licenses will no longer be renewed every two years.

The table below shows the projected impact on the specific funds based on the issuance of 3,637 public passenger chauffeur licenses.

	<b>MVHA</b>	<b>Crossroads 2000</b>	<b>BMV Tech Fund</b>	<b>Anti-Terrorism Fund</b>	<b>Lic. Branch Fund (BMVC)</b>	<b>TOTAL</b>
FY 2008	\$14,548					\$14,548
FY 2009	\$14,548					\$14,548
FY 2010	(\$14,548)	(\$14,548)	(\$1,819)	(\$4,546)	(\$22,731)	(\$58,192)
FY 2011	(\$14,548)	(\$14,548)	(\$1,819)	(\$4,546)	(\$22,731)	(\$58,192)
FY 2012	\$14,548					\$14,548
FY 2013	\$14,548					\$14,548
FY 2014	(\$14,548)	(\$14,548)	(\$1,819)	(\$4,546)	(\$22,731)	(\$58,192)
FY 2015	(\$14,548)	(\$14,548)	(\$1,819)	(\$4,546)	(\$22,731)	(\$58,192)

The uses of the funds are as follows.

<b>Fund</b>	<b>Uses</b>
<b>Motor Vehicle Highway Account</b>	Construction, reconstruction, and maintenance, along with supporting the BMV, the State Police, the Dept. of Transportation, and the State Department of Revenue
<b>Crossroads 2000 Fund</b>	Bonding for highway projects
<b>BMV Technology Fund</b>	Upgrade technology at the BMV
<b>Anti-Terrorism Fund</b>	Support the Integrated Public Safety Commission
<b>State License Branch Fund (BMV Commission)</b>	Support the operation of the licenses branches throughout the state

#### **Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Bureau of Motor Vehicles; State Police; Department of Transportation; State Department of Revenue, all as recipients of MVHA distributions.

**Local Agencies Affected:** Recipients of MVHA distributions.

**Information Sources:** Bureau of Motor Vehicles Cash Audit CY 2002, CY 2003, and CY 2004.

**Fiscal Analyst:** James Sperlik, 317-232-9866.